

## REMARKS

### I. Status of the Claims

Claims 31-65 and 83-97 are pending in this application.

### II. Status of the Amendments

The claims have not been amended.

### III. Summary of Arguments

The essence of the claimed invention is a system for printing a personalized high quality image on a non-planar surface of a sugar shell candy or jelly bean, where the image is selected by the consumer on a computer. It was not obvious at the time the invention was made to create a system whereby a consumer could select and order an edible such as an M&M'S® Brand Milk Chocolate Candy with a high quality image on it, having a resolution greater than about 200 dpi, such as a person's face, using a computer. The customized printing of spherical objects using computer control, described in the prior art applied against the claims is not persuasive to the contrary.

This Response and the attached Declarations focus on proving the secondary indicia of non-obviousness set forth in Graham v. John Deere, 383 U.S. 1, 17 (1966). Specifically, since the introduction of custom-printed sugar shell products through the MY M&M'S® website (hereinafter "custom printed product"), sales of custom printed product and the overall level of consumer satisfaction have been very high by any objective measure. Moreover, sales of MY M&M'S® products with consumer images printed on them increased more rapidly than custom products available on the same website that did not have images printed on them, demonstrating a nexus between the

claimed subject matter and the commercial success. Further still, consumer reaction to M&M'S® Brand Milk Chocolate Candies customized with the consumers' images can be shown to relate to the consumers perception of the "uniqueness of the product offering," which is also evidence of the non-obviousness of the invention.

Applicants do not concede the existence of a prima facie case against the present claims based on U.S. Patent No. 6,538,767 ("Over") as alleged in the Office Action. The arguments with respect to Over in applicants' previous responses are incorporated by reference herein and preserved for appeal.

#### IV. Summary of the Claimed Subject Matter

Claim 31 recites "[a] system for enabling a consumer to submit a customizable image to be printed" [page 5, lines 13-14]. Claim 31 further recites that the printing is "directly on a non-planar surface of a sugar shell candy or a jellybean" [page 20, lines 12-13], which are confectionery items that have not conventionally been customized according to consumer-selected specifications. Claim 31 further recites that this "consumer driven" process is implemented on a network (such as the Internet), wherein "a computer, adapted to communicate with a consumer's computer [enables] the consumer's computer to communicate image data over a network." [See, *e.g.*, page 12, line 13 to page 13, line 6.] Printing is accomplished with a high-resolution ink jet printer, which heretofore had not been accomplished on sugar shell candy or jellybeans. Thus the last clause of Claim 31 recites "an ink-jet printer adapted to receive the image data from the computer and print directly on a non-planar surface of a sugar shell candy or a jellybean a high quality image having a resolution greater than about 200 dpi that corresponds to the received image data in the manufacture of personalized sugar shell candy or jelly beans."

[*See, e.g.*, page 6, line 25; page 7, line 11; page 18, lines 20-32.] Examples of commercial sugar shell products include M&M'S® Brand Milk Chocolate Candies, Skittles® Brand Bite Size Candies, and Skittles® Brand Jelly Beans.

Independent Claim 37 is similar in scope to Claim 31, cast as a method claim. Claim 43 is a “system” claim, casting the subject matter from the “point of view” of the apparatus, a server computer on the Internet. Claim 48 is similar in scope to Claim 43 and recites the functionality of the server computer. Claim 54 is directed to a “method on a server computer,” having similar limitations. Claim 60 is drafted in terms of a “computer readable medium” storing the executable code implementing the systems and methods described in the other claims.

Dependent Claims 83 to 87 are dependent on each of the independent claims, and recite “a subsystem, for holding sugar shell candies or jellybeans transiently in position and serially transporting them past a printhead for printing” or similar method claim limitation [*see, e.g.*, page 18, line 31 – page 19, line 2; page 25, lines 6-18], which limitation is argued separately.

Dependent Claims 94 to 97 recite the consumer’s involvement in the creation of the customized confectionery items in terms of a “preview” option [*see, e.g.*, page 17, lines 13-26], which limitation is argued separately.

V. Grounds of Rejection to be Reconsidered

Claims 31-65, and 83-97, *i.e.* all of the pending claims, have been rejected over U.S. Patent No. 6,538,767 (“Over”), which is the sole grounds of rejection. Applicants respectfully traverse.

VI. Cited Prior Art

Over describes “Methods and Systems for Printing on Spherical Objects,” and is principally concerned with the special difficulties relating to printing on spherical or semi-spherical objects, such as golf balls (column 1, lines 9 to 13). The purported advantages described in Over relate to a system for controlling the transmission of data to a print head which is moved relative to the substrate (column 2, line 58 to column 3, line 6).

Although Over makes incidental reference to edible substrates, including “eggs” (see col. 5, lines 10 and 45-48), there is no disclosure in Over relevant to consumers of edible confectionery or sugar shell candy in particular, or relevant to consumer design of any edible item. Notable in the responses of consumers to the MY M&M’S® custom-printed product has been high satisfaction with the “uniqueness of the product offering.” Thus, a critical element of the claimed invention that has not been considered by the Examiner is the non-obviousness of the claimed custom-printed product itself.

VII. Commercial Success

The arguments with respect to Over in applicants’ previous responses are incorporated by reference herein and preserved for appeal. However, even if there exists a prima facie case of obviousness based on Over, non-obviousness of the invention can be demonstrated with reference to consumer reaction to custom-printed M&M’S® Brand Milk Chocolate Candies obtained through the MY M&M’S® website.

Consumers, when asked, consider custom printed sugar shell candy to be unique and non-obvious. And sales of the custom printed products outpace the sales of the product differentiated by custom color alone, proving a nexus between the claimed invention (which requires a printed image) and the commercial success.

Two Declarations are submitted herewith to support the allowability of the claims based on secondary indicia of non-obviousness. The first Declaration, by Dana Michael (the “Michael Declaration”), attests to a rapid increase in sales of personalized sugar shell candy following their introduction into the market. In addition to providing a way to custom design and print sugar shell candy and jellybeans, the use of a networked printing solution has made personalized confectionery available to consumers, so that some US \$ 60 million in annual sales of these items has been made possible. Absent the network and the printing infrastructure that is recited in the present claims, these products would not be available to consumers, thus the existence of the entire MY M&M’S® business is to some extent evidence of commercial success of the claimed invention which should be considered as indicative of non-obviousness.

The Michael Declaration also compares the sales of M&M’S® Brand Milk Chocolate Candies having custom colors (“custom color product”), which are not printed on, versus the same candies provided with a consumer-selected image according to the invention. Custom color product is an option available on the MY M&M’S® website whereby a consumer can purchase M&M’s® Brand Milk Chocolate Candies in one of twenty-one custom colors. The Michael Declaration shows that, after the commercial introduction of the claimed invention, sales of the custom color product remained relatively flat, and that most of the growth in the online business resulted from the ability to obtain custom-printed images. Thus, a significant portion of the growth in the online sales market has been generated by the availability of the custom-printed confectionery items, showing a clear nexus between the subject matter of the present claims, and the commercial success of the MY M&M’S® business overall. Applicants respectfully submit

that this additional evidence of commercial success is indicative of non-obviousness and should be considered by the Examiner.

The sales referenced in the Michael Declaration are net sales. The dollar amounts have been deleted to protect the confidentiality interests of the assignee, Mars, Incorporated and are not believed to be relevant to an understanding of the relative growth in sales between custom color products and custom-printed products. However, the general scale (the y axis) of the graph may be ascertained from size of the MY M&M'S business.

A second declaration by Claudio A. Pugliese (the "Pugliese Declaration") demonstrates the reaction of consumers to the introduction of MY M&M'S® in terms of consumers' satisfaction with the "uniqueness of the product offering." The Pugliese Declaration notes that consumers of these items respond to the non-obvious nature of the product, and are willing to purchase the claimed invention notwithstanding that the custom printed items are significantly more expensive than their non custom-printed counterparts. The consumer reaction to the uniqueness of the product is a further secondary indicia of non-obviousness which should be considered by the Examiner.

Commercial success is also evidenced by consumer reaction and reaction of the business community to the introduction of the MY M&M'S® e-commerce application. A Bottom Line Design Awards, which the MY M&M'S® Website won in 2006 in the "E-Commerce" category (see Exhibit 1), specifically includes "business impact" among its criteria. The Bottom Line Design Award noted an online sales revenue increase of "more than 400% since the custom-printing service was launched." Reinforcing the statements in the Pugliese Declaration, one of the jurors for the Bottom Line Design Award remarked

that the ability to charge a premium for the custom-printed product evidenced a “price insensitive market.” Evidence of this kind, showing that the introduction of a claimed invention (in this case consumer customization of sugar shell candy over a network using an ink jet printer) caused an unusual activity in sales and consumer interest, must be taken into account as a secondary consideration of non-obviousness. For this additional reason, this evidence should be considered and the obviousness rejection should be withdrawn.

#### CONCLUSION

For at least the foregoing reasons, it is respectfully requested that the rejections of record be withdrawn and the pending claims be passed to issue.

Applicants’ undersigned attorney may be reached in our New York office by telephone at (212) 218-2100. All correspondence should be directed to our address given below.

Respectfully submitted,

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## **EXHIBIT 1**



**BUSINESS 2.0 AND PROOF DESIGN**  
**2006 Bottom Line Design Awards**



**WINNERS**

**JUDGING PANEL**

**NOMINATE A PRODUCT**

**PREVIOUS WINNERS**



**E-COMMERCE**  
**My M&M's Website**

Few things in life are as much fun as candy, and few candies are as iconic as M&M's. So when Masterfoods in early 2005 unveiled its new My M&M's website ([www.shop.mms.com](http://www.shop.mms.com))—letting consumers order M&M's printed with customized messages—it was pure brand magic. Shoppers can select from 21 colors or choose designated palettes organized by occasion, such as weddings and baby showers. Each candy holds two lines of text at eight characters each, with the iconic "M" printed on the flip side. The website itself is fun and easy to use, allowing customers to preview candies at various stages. My M&M's was so inundated before Valentine's Day, it warned customers that new orders would not arrive until March. That, despite the fact that a minimum order of four 9-ounce bags comes to about \$40, before shipping and sales tax. "It's a lot of money per M&M," says juror Dan Norman, professor of computer science and psychology at Northwestern University. "This is a price-insensitive market."

**BOTTOM LINE:** Total online M&M's revenues have increased more than 400 percent since the custom-printing service was launched.

